(b) if so, what are the details thereof and the action taken by the Central Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF RURAL DEVELOPMENT IN THE MINISTRY OF AGRICULTURE (SHRI JANARDHAN POOJARY): (a) Yes, Sir.

(b) Details of the projects are as under:—

Name of District	Name of Scheme	No. of Villages	Cost of the schemes (Rs. in lakhs)
Krishna	6	6	31·045
Nalgonda	18	18	105·70
Anantapur	2	2	6·33

All these schemes have already been cleared by the Government of India.

Project Report on Supply of Drinking Water in Coastal Villages of Andhra Pradesh

575. SHRI B. SATYANARAYAN REDDY: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the project report on the supply of drinking water to 260 coastal villages of Uddanam Area of Srikakulam District in Andhra Pradesh has been sent to the Central Government for its approval and in obtaining external assistance; and

(b) if so, what are the details of the Scheme and what action Government have taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF RURAL DEVELOPMENT IN THE MINISTRY OF AGRICULTURE (SHRI JANARDHAN POOJARI): (a) Yes, Sir.

(b) The Scheme envisages providing protected water supply to 268 villages in Uddanam areas of Srikakulam District at an estimated cost of Rs. 6.9 crores. The scheme is under technical scrutiny in the Department of Rural Development.

Formulation of New Sugar Policy

576. SHRI VISHWASRAO RAMARAO PATIL: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have recently formulated a new policy for granting licences for new sugar factories;

(b) if so, what are the salient features thereof;

(c) whether Government propose to consider the applications which are pending with them for the last many years under this new policy; and

(d) if so, the details of these applications and the names of the applicants which have been cleared under the new policy and granted licenses?

THE DEPUTY MINISTER IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI D. L. BAITHA): (a) and (b) Government of India has recently made a limited review of the Sugar Licensing Policy and, after careful consideration, has decided to relax certain policy guidelines already announced for the Seventh Five-Year Plan period. A copy of the statement laid down on the Table of the Lok Sabha is given below. (*See* Statement-I).

(c) and (d) There is no application pending consideration of the Central Government for the establishment of new sugar factory for the last many years. There are, however, three proposals received during 1988 which did not conform to the radial distance criterion of the earlier guidelines, the details of which are given in Statement-II. These applications are likely to be reconsidered shortly. So far, no application has been cleared under the revised new policy guidelines.

Statement I

Statement made by Shri Sukh Ram, Minister of State for Food and Civil Supplies in the Lok Sabha on 5.4.1989 regarding changes in the Sugar Licensing Policy for the Seventh Plan Period

Sir,

As the Hon'ble Members are aware, the Central Government had announced in December, 1986 the new sugar licensing policy for the Seventh Plan Period. Under this policy, the initial capacity of new sugar units to be set up during the Seventh Plan was fixed at 2500 TCD (Tonnes cane crush per day) as against 1250 TCD in the earlier Plan. This was done to take advantage of the economies of scale and facilitate incorporation of modern technology. The spatial distance between a new sugar factory and the existing units was kept at 40 Kms as against 30 Kms prescribed earlier. Since the announcement of this policy, there have been represntations both from the industry as well as some of the State Governments for relaxation of these conditions, particularly in respect of industrially backward areas, in view of high capital cost and correspondingly higher quantum of share contribution required from cane growers or the State Governments, and the higher cane availability required right from the beginning. Government had, therefore, undertaken a limited review of the sugar licensing policy and after careful consideration have decided to relax the sugar licensing policy already announced for the Seventh Plan period as under:—

(a) Licensing of new sugar factories in the Cooperative and Public Sectors in areas specified as industrially backward areas by the Government of India and certified by the Indian Council of Agricultural Research to be agro-climatically suited for development of sugarcane, would also be allowed for initial capacity of 1750 TCD subject to the condition that the unit would expand its capacity to 2500 TCD within 5 years of its going into production.

(b) The spatial distance of 40 kilometres may be relaxed to 25 kilometres subject to the satisfaction of the following conditions:—

(i) The average per hectare yield of sugarcane should be higher by atleast 20 per cent over the national average cane yield.

(ii) At least 40 per cent of the area should be under improved and higher-sucrose varieties of cane like COJ-64, COC-671 etc.

(iii) The Licensing Authority would ensure that adequate cane would continue to be available for existing factories (with potential for further intensive cane development), for meeting both present and future requirements.

The initial capacity to be licensed in such cases will, however, continue to be a minimum of 2500 TCD.

(c) The incentives which are now available to sugar units with capacity of 2500 TCD would also be available to the new units of 1750 TCD, only for the initial 5 years.

The existing guidelines for granting licences for setting up new sugar units during the Seventh Plan period are being amended to incorporate the above relaxations. The overall guiding principle for licensing new sugar units would be to ensure that adequate cane is available for a new sugar unit to be licensed as also for existing factories, with potential for further intensive cane development, for meeting both present and future requirements.

It is expected that the relaxations now announced, would facilitate the establishment of new sugar units in the cooperative and public sectors in the industrially backward areas. The relaxation of the spatial distance from 40 to 25 Kms will also facilitate setting up of new units in certain areas where cane cultivation is both intensive and extensive, and enough cane is available to sustain additional units even within the radial distance of 25 Kms.

Statement-II

Names of the three proposals pending consideration under the revised Sugar Licensing Policy

	Name	Sector	Appn. No. & Date of forwarding by the Department of Industrial Development
1.	M/s The Palakonda Coop. Agri & Indl. Society Ltd., Palakonda, District Srikakulam (AP)	Coop.	1124/88/IL dated 25-8-1988.
2.	M/s. Jawahar Shetkari SSK Ltd., Hupari, Distt. Kolhapur (Maharashtra)	Coop.	582/88/IL dated 11-5-1988.
3.	M/s UP Coop Sugar Factories Federation Ltd., Baheri-Brahmnan, Tehsil-Thakurdwara, Distt. Moradabad(UP)	Coop.	1476-(88)-IL dated 13-10-1988.

Central Assistance to Maharashtra under Special Foodgrains Production Programme

577. SHRI VISHWASRAO RAMARAO PATIL: Will the Minister of AGRICULTURE be pleased to state:

(a) the amount of Central assistance granted to Maharashtra during the past two years i.e., in 1987-88 and 1988-89, yearwise, under Special Foodgrains Production Programme;

(b) the target fixed and achieved during the above period; year-wise;

(c) whether any target has been fixed for 1989-90 for Maharashtra; and

(d) if so, the funds earmarked as Central assistance for 1989-90 under the Special Foodgrains Production Programme?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI SHYAM LAL YADAV): (a) and (b) Special Foodgrain Production Programme was launched in Kharif 1988-89. The State of Maharashtra was provided an amount of Rs. 322.76 lakh during 1988-89 to achieve targetted production of 25.50 lakh tonnes of rice and 11.00 lakh tonnes of pulses. As against these targets production of rice and pulses is likely to be around 26.08 and 17.44 lakh tonnes respectively.

(c) and (d) For 1989-90 a target of 28 lakh tonnes has been fixed for rice and a target of 14.50 lakh tonnes has been fixed for pulses. A sum of Rs. 282 lakhs has been allocated to the State of Maharashtra towards 75 per cent share of Government of India. Out of this amount Rs. 240 lakhs is for rice and balance Rs. 42 lakhs is for pulses.

नई चीनी मिलों को स्थापित किया जाना

578. **श्री मीर्जा इर्शादबेग :** क्या खाद्य और नागरिक पूर्ति मंत्री यह बताने की कृपा करेंगे कि :

(क) सहकारी क्षेत्र में नई चीनी मिलें स्थापित किये जाने संबंधी कितने प्रस्ताव प्राप्त हुए हैं;